



Mark Young
New York Metro

August 29, 1997

To: All NY Metro Management

Subject: Winston "No Bull" Performance Update

Dear Managers,

The overall performance of the region on the "No Bull" launch continues to be extremely good in terms of coverage, distribution, display and definitely presence. The true measure of how we're doing ... as everyone knows is case shipments and share of market. It's still too early to get a handle on share performance, but it's apparent that we do have new consumers trying the Winston product. As far as our Winston case shipments, this continues to look extremely good! Up to the Winston reintroduction, the Winston case shipments for the region were tracking at approximately -10% compared to the same period in 1996. This trend is quickly changing:

Average Weekly Case Shipments / 2nd Qtr. vs. 3rd Qtr.

Brand Style	2nd Qtr. Avg. Wk.	3rd Qtr. Avg. Wk.	% difference
85 Soft	355 cs	335 cs.	- 7%
100 Soft	85 cs.	100 cs.	+ 18%
Light Soft	80 cs.	85 cs.	+ 6%
Lt. 100 Soft	40 cs.	45 cs.	+ 13%
Ultra Soft	5 cs.	10 cs.	+ 50%
U. 100 Soft	5 cs.	5 cs.	even
85 Box	125 cs.	195 cs.	+ 56%
Light Box	45 cs.	105 cs.	+233%
Lt. 100 Box	20 cs.	30 cs.	+ 50%
Ultra Box	0 cs.	10 cs.	+999%
Ultra 100 Box	0 cs.	15 cs.	+999%
Total Base Winston	760 cs.	945 cs.	+ 25%
Total Winston (inc. Select)	795 cs.	975 cs.	+ 23%

As you can see, moving into the Down the Street period of August, something positive is beginning to happen in the retail stores. The outstanding effort that everyone has made in gaining Box distribution appears to be making the difference. We are finally attracting new / incremental consumers to the new Natural Winston.

Sincerely,

Mark Young

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